

Information Technology Total Services Co., Ltd. and Subsidiaries
Consolidated Financial Statements and Independent Auditors' Report
for the Second Quarter of 2026 and 2025
(Stock Code: 6697)

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Information Technology Total Services Co., Ltd. and Subsidiaries
Consolidated Financial Statements and Independent Auditors' Report for the Second
Quarter of 2026 and 2025
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Independent Auditors' Report

(2026) Cai-Shen-Bao-Zi No. 26001158

To Information Technology Total Services Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Information Technology Total Services Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) as of June 30, 2026 and 2025, as well as the relevant consolidated statements of comprehensive income for the three months and six months then ended, the consolidated statements of changes in equity and cash flows for the six months then ended, and the notes to the consolidated financial statements (including a summary of significant accounting policies). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 — “Interim Financial Reporting,” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope

We conducted our review in accordance with Standard on Review Engagements of the Republic of China 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2026 and 2025, its consolidated financial performance for the three months and six months ended June 30, 2026 and 2025, and its consolidated cash flows for the six months ended June 30, 2026 and 2025, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 — “Interim Financial Reporting,” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

PricewaterhouseCoopers Taiwan

Chan-Yuan Tu

CPA

Ping-Chun Chih

Financial Supervisory Commission

Approval Document No.: Jin-Guan-Zheng-Shen-Zi No. 1120348565

Former Securities and Futures Commission, Ministry of Finance

Approval Document No.: (1999) Tai-Cai-Zheng-(VI) No. 16120

August 10, 2026

Information Technology Total Services Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
June 30, 2026, December 31, 2025, and June 30, 2025

Unit: NTD thousand

			June 30, 2026		December 31, 2025		June 30, 2025	
Assets		Note	Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 390,524	42	\$ 469,112	46	\$ 299,179	32
1136	Financial assets measured at amortized cost – current	6(3) and (8)	3,958	-	3,853	-	3,249	-
1140	Contract assets – current	6(19) and 7	133,981	14	88,974	9	169,013	18
1150	Notes receivable, net	6(4)	5,490	1	6,995	1	4,722	1
1160	Notes receivable – related parties, net	7	5,923	1	5,091	1	163	-
1170	Accounts receivable, net	6(4)	125,720	13	165,798	16	184,340	19
1180	Accounts receivable – related parties, net	7	70,921	8	85,045	8	58,840	6
1200	Other receivables		9,218	1	8,244	1	10,078	1
1210	Other receivables – related parties	7	40	-	13	-	21	-
130X	Inventories	6(5)	15,501	2	2,718	-	20,044	2
1410	Prepayments	6(6)	17,506	2	14,125	1	18,844	2
1470	Other current assets		1,266	-	833	-	811	-
11XX	Total current assets		780,048	84	850,801	83	769,304	81
Non-current assets								
1517	Financial assets at fair value through other comprehensive profit or loss – non-current	6(2)	33,735	4	33,291	3	31,038	3
1535	Financial assets measured at amortized cost – non-current	6(3) and (8)	-	-	253	-	253	-
1550	Investments accounted for using the equity method	6(7)	49,405	5	46,586	5	47,003	5
1600	Property, plant, and equipment	6(8)	26,071	3	27,852	3	25,645	3
1755	Right-of-use assets	6(10)	6,647	1	4,927	-	7,633	1
1780	Intangible assets	6(9)	9,192	1	9,956	1	10,896	1
1840	Deferred income tax assets	6(25)	3,043	-	3,752	-	4,068	1
1920	Refundable deposits		10,427	1	11,015	1	9,314	1
1930	Long-term notes and accounts receivable	6(11)	13,729	1	42,249	4	41,804	4
1990	Other non-current assets – others	6(13)	1,666	-	248	-	1,268	-
15XX	Total non-current assets		153,915	16	180,129	17	178,922	19
1XXX	Total assets		\$ 933,963	100	\$ 1,030,930	100	\$ 948,226	100

(Continued on the next page)

Information Technology Total Services Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
June 30, 2026, December 31, 2025, and June 30, 2025

Unit: NTD thousand

Liabilities and equity		Note	June 30, 2026		December 31, 2025		June 30, 2025	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2130	Contract liabilities – current	6(19)	\$ 25,315	3	\$ 24,595	3	\$ 31,928	3
2150	Notes payable		1,251	-	81	-	531	-
2170	Accounts payable		197,860	21	256,303	25	227,533	24
2180	Accounts payable – related parties	7	718	-	823	-	678	-
2200	Other payables	6(12)	62,080	7	86,210	8	51,606	5
2220	Other payables – related parties	7	1,320	-	1,376	-	1,107	-
2230	Income tax liabilities in the current period	6(25)	11,213	1	12,156	1	16,051	2
2250	Liability reserve – current	6(14)	8,025	1	8,025	1	8,025	1
2280	Lease liabilities – current		3,217	-	3,056	-	4,590	1
2399	Other current liabilities – others		7,490	1	7,219	1	13,805	1
21XX	Total current liabilities		318,489	34	399,844	39	355,854	37
Non-current liabilities								
2570	Deferred income tax liabilities	6(25)	8,726	1	7,451	1	5,075	1
2580	Lease liabilities – non-current		3,476	-	1,941	-	3,167	-
2645	Deposits received		397	-	397	-	397	-
25XX	Total non-current liabilities		12,599	1	9,789	1	8,639	1
2XXX	Total liabilities		331,088	35	409,633	40	364,493	38
Equity								
Equity attributable to owners of the parent company								
	Share capital	6(15)						
3110	Common shares		273,234	29	273,234	26	273,234	29
	Capital surplus	6(16)						
3200	Capital surplus		158,042	17	158,042	15	158,042	17
	Retained earnings	6(17)						
3310	Legal reserve		76,838	8	68,537	7	68,537	7
3320	Special reserves		3,102	1	2,097	-	2,097	-
3350	Undistributed earnings		91,025	10	120,392	12	87,596	9
	Other equity	6(18)						
3400	Other equity		634	-	(1,005)	-	(5,773)	-
31XX	Total equity attributable to owners of the parent company		602,875	65	621,297	60	583,733	62
3XXX	Total equity		602,875	65	621,297	60	583,733	62
	Material contingent liabilities and unrecognized contractual commitments	9						
	Material events after the balance sheet date	11						
3X2X	Total liabilities and equity		\$ 933,963	100	\$ 1,030,930	100	\$ 948,226	100

The attached Notes to the financial statements form an integral part of these consolidated financial statements and should be read in conjunction with it.

Chairman: Shang-Wei Kao

Manager: Chih-Chun Wang

Accounting Manager: Chin-Lang Huang

Information Technology Total Services Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to June 30, 2026 and 2025

Unit: NTD thousand

(except for earnings per share, which is expressed in New Taiwan dollars)

	Item	Note	April 1 to June 30, 2026		April 1 to June 30, 2025		January 1 to June 30, 2026		January 1 to June 30, 2025	
			Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue	6(19) and 7	\$ 292,478	100	\$ 300,565	100	\$ 711,956	100	\$ 689,373	100
5000	Operating costs	6(5)(13)(24) and 7	(230,773)	(79)	(235,788)	(78)	(595,967)	(84)	(569,089)	(83)
5950	Gross profit, net		<u>61,705</u>	<u>21</u>	<u>64,777</u>	<u>22</u>	<u>115,989</u>	<u>16</u>	<u>120,284</u>	<u>17</u>
	Operating expenses	6(13)(24) and 7								
6100	Selling expenses		(3,626)	(1)	(2,386)	(1)	(6,548)	(1)	(5,784)	(1)
6200	Administrative expenses		(25,735)	(9)	(23,996)	(8)	(51,806)	(7)	(48,411)	(7)
6300	R&D expenses		(1,832)	-	(446)	-	(3,208)	-	(1,320)	-
6450	Expected credit impairment gains	12(2)	-	-	-	-	446	-	-	-
6000	Total operating expenses		<u>(31,193)</u>	<u>(10)</u>	<u>(26,828)</u>	<u>(9)</u>	<u>(61,116)</u>	<u>(8)</u>	<u>(55,515)</u>	<u>(8)</u>
6900	Operating profit		<u>30,512</u>	<u>11</u>	<u>37,949</u>	<u>13</u>	<u>54,873</u>	<u>8</u>	<u>64,769</u>	<u>9</u>
	Non-operating income and expenses									
7100	Interest revenue	6(20)	1,587	-	1,450	-	2,831	-	2,890	-
7010	Other revenue	6(21)	3,343	1	3,392	1	3,352	1	3,406	1
7020	Other gains and losses	6(22)	(250)	-	(4,161)	(1)	426	-	(3,881)	-
7050	Financial costs	6(10)(23)	(32)	-	(122)	-	(89)	-	(154)	-
7060	Share of profit or loss of associates and joint ventures accounted for using the equity method	6(7)								
			<u>1,868</u>	<u>1</u>	<u>(498)</u>	<u>-</u>	<u>2,819</u>	<u>-</u>	<u>699</u>	<u>-</u>
7000	Total non-operating income and expenses		<u>6,516</u>	<u>2</u>	<u>61</u>	<u>-</u>	<u>9,339</u>	<u>1</u>	<u>2,960</u>	<u>1</u>
7900	Profit before tax		<u>37,028</u>	<u>13</u>	<u>38,010</u>	<u>13</u>	<u>64,212</u>	<u>9</u>	<u>67,729</u>	<u>10</u>
7950	Income tax expense	6(25)	(7,763)	(3)	(11,367)	(4)	(13,232)	(2)	(17,518)	(3)
8200	Current net income		<u>\$ 29,265</u>	<u>10</u>	<u>\$ 26,643</u>	<u>9</u>	<u>\$ 50,980</u>	<u>7</u>	<u>\$ 50,211</u>	<u>7</u>
	Other net consolidated income									
	Items that may be later recategorized to profit or loss									
8361	Exchange differences arising from the conversion of financial statements of overseas operating entities	6(18)	\$ 199	-	(\$ 11,282)	(4)	\$ 2,049	-	(\$ 9,684)	(1)
8399	Income tax related to items likely to be reclassified	6(25)	(40)	-	2,256	1	(410)	-	1,937	-
8300	Other net consolidated income		<u>\$ 159</u>	<u>-</u>	<u>(\$ 9,026)</u>	<u>(3)</u>	<u>\$ 1,639</u>	<u>-</u>	<u>(\$ 7,747)</u>	<u>(1)</u>
8500	Current total comprehensive income		<u>\$ 29,424</u>	<u>10</u>	<u>\$ 17,617</u>	<u>6</u>	<u>\$ 52,619</u>	<u>7</u>	<u>\$ 42,464</u>	<u>6</u>
	Net profit attributable to:									
8610	the owner of the parent company		<u>\$ 29,265</u>	<u>10</u>	<u>\$ 26,643</u>	<u>9</u>	<u>\$ 50,980</u>	<u>7</u>	<u>\$ 50,211</u>	<u>7</u>
	Total comprehensive income attributable to:									
8710	the owner of the parent company		<u>\$ 29,424</u>	<u>10</u>	<u>\$ 17,617</u>	<u>6</u>	<u>\$ 52,619</u>	<u>7</u>	<u>\$ 42,464</u>	<u>6</u>
	Earnings per share	6(26)								
9750	Basic earnings per share		<u>\$ 1.07</u>		<u>\$ 0.98</u>		<u>\$ 1.86</u>		<u>\$ 1.84</u>	
9850	Diluted earnings per share		<u>\$ 1.06</u>		<u>\$ 0.97</u>		<u>\$ 1.85</u>		<u>\$ 1.83</u>	

The attached Notes to the financial statements form an integral part of these consolidated financial statements and should be read in conjunction with it.

Chairman: Shang-Wei Kao

Manager: Chih-Chun Wang

Accounting Manager: Chin-Lang Huang

Information Technology Total Services Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to June 30, 2026 and 2025

Unit: NTD thousand

		Equity attributable to owners of the parent company						
		Retained earnings				Exchange differences arising from the conversion of financial statements of overseas operating entities	Total	
Note	Common shares	Capital surplus – additional paid-in capital	Legal reserve	Special reserves	Undistributed earnings			
<u>2025</u>								
		\$ 273,234	\$ 158,042	\$ 61,365	\$ 1,628	\$ 102,405	\$ 1,974	\$ 598,648
		-	-	-	-	50,211	-	50,211
	6(18)	-	-	-	-	-	(7,747)	(7,747)
		-	-	-	-	50,211	(7,747)	42,464
	6(17)							
		-	-	7,172	-	(7,172)	-	-
		-	-	-	469	(469)	-	-
		-	-	-	-	(57,379)	-	(57,379)
		\$ 273,234	\$ 158,042	\$ 68,537	\$ 2,097	\$ 87,596	(\$ 5,773)	\$ 583,733
<u>2026</u>								
		\$ 273,234	\$ 158,042	\$ 68,537	\$ 2,097	\$ 120,392	(\$ 1,005)	\$ 621,297
		-	-	-	-	50,980	-	50,980
	6(18)	-	-	-	-	-	1,639	1,639
		-	-	-	-	50,980	1,639	52,619
	6(17)							
		-	-	8,301	-	(8,301)	-	-
		-	-	-	1,005	(1,005)	-	-
		-	-	-	-	(71,041)	-	(71,041)
		\$ 273,234	\$ 158,042	\$ 76,838	\$ 3,102	\$ 91,025	\$ 634	\$ 602,875

The attached Notes to the financial statements form an integral part of these consolidated financial statements and should be read in conjunction with it.

Chairman: Shang-Wei Kao

Manager: Chih-Chun Wang

Accounting Manager: Chin-Lang Huang

Information Technology Total Services Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NTD thousand

	Note	January 1 to June 30, 2026	January 1 to June 30, 2025
<u>Cash flows from operating activities</u>			
Net profit before tax this term		\$ 64,212	\$ 67,729
Adjustments			
Income, expenses, and losses			
Depreciation expenses	6(8)(10)(24)	6,354	6,256
Amortization expenses	6(24)	764	894
Expected credit impairment reversal gains	12(2)	(446)	-
Interest expenses	6(23)	89	154
Interest revenue	6(20)	(2,831)	(2,890)
Dividend revenue	6(21)	(3,343)	(3,349)
Share of profit of associates and joint ventures accounted for using the equity method	6(7)	(2,819)	(699)
Gain on disposal of property, plant, and equipment	6(22)	(1)	-
Gain on lease modification	6(22)	(4)	-
Changes in assets/liabilities related to operating activities			
Net changes in assets related to operating activities			
Contract assets – current	(	45,007)	12,229
Notes receivable		1,505	(673)
Notes receivable – related parties	(	832)	(163)
Accounts receivable		40,524	360
Accounts receivable – related parties		14,124	22,411
Other receivables	(	974)	(2,217)
Other receivables – related parties	(	27)	(8)
Inventories	(	12,783)	(16,502)
Prepayments	(	3,381)	(6,374)
Other current assets	(	433)	996
Net changes in liabilities related to operating activities			
Contract liabilities – current		720	(7,890)
Notes payable		1,170	(9)
Accounts payable	(	58,443)	(27,158)
Accounts payable – related parties	(	105)	(2,201)
Other payables	(	24,068)	(13,718)
Other payables – related parties	(	56)	(753)
Other current liabilities – others		271	5,592
Cash (outflow) inflow from operations	(	25,820)	32,017
Interest received		2,071	2,152
Dividends received		3,343	3,914
Interest paid	(	89)	(154)
Income tax paid	(	12,603)	(14,898)
Net cash (outflow) inflow from operating activities	(	33,098)	23,031

(Continued on the next page)

Information Technology Total Services Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NTD thousand

	Note	January 1 to June 30, 2026	January 1 to June 30, 2025
<u>Cash flows from investing activities</u>			
Cash paid for purchase of property, plant, and equipment	6(27)	(\$ 2,592)	(\$ 1,669)
Proceeds from disposal of property, plant, and equipment		5	-
Financial assets measured at amortized cost – decrease		148	13,155
Decrease in long-term notes and accounts receivable		29,279	29,280
Decrease in refundable deposit		588	2,183
Increase in prepayments for equipment		(1,418)	(2,090)
Net cash inflow from investing activities		<u>26,010</u>	<u>40,859</u>
<u>Cash flows from fundraising activities</u>			
Repayment of lease principal	6(28)	(2,045)	(2,470)
Payment of cash dividends	6(17)	(71,041)	(57,379)
Net cash outflow from financing activities		(73,086)	(59,849)
Exchange rate effect		<u>1,586</u>	(5,971)
Decrease in cash and cash equivalents in the current period		(78,588)	(1,930)
Balance of cash and cash equivalents at the beginning of the period	6(1)	<u>469,112</u>	<u>301,109</u>
Balance of cash and cash equivalents at the end of the period	6(1)	<u>\$ 390,524</u>	<u>\$ 299,179</u>

The attached Notes to the financial statements form an integral part of these consolidated financial statements and should be read in conjunction with it.

Chairman: Shang-Wei Kao

Manager: Chih-Chun Wang

Accounting Manager: Chin-Lang Huang

Information Technology Total Services Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
for the Second Quarter of 2026 and 2025

Unit: NTD thousand
(Unless otherwise specified)

1. Company History

Information Technology Total Services Co., Ltd. (the “Company”) was incorporated in December 1990. The main business items of the Company and its subsidiaries (collectively, the “Group”) are information technology outsourcing (ITO), business process outsourcing (BPO), and innovative applications and services for the Internet of Things (IoT). TECO Electric and Machinery Co., Ltd. holds 41.97% of the Company’s equity, and TECO Electric and Machinery Co., Ltd. is the ultimate parent company of the Group.

2. Date and Procedures for Approval of the Financial Report

The consolidated financial statements were released after being approved by the board of directors on August 10, 2026.

3. Application of Newly Issued and Amended Standards and Interpretations

(1) Effect of adopting the newly promulgated or amended IFRSs endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the “FSC”)

The table below lists the applicable new, revised, and amended standards and interpretations of the IFRSs as endorsed and issued into effect by the FSC in 2026:

<u>New, Amended, or Revised Standards and Interpretations</u>	<u>Effective Date Announced by the IASB</u>
Amendments to IFRS 9 and IFRS 7 “classification and measurement of financial instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-Dependent Electricity”	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”	January 1, 2023
Annual Improvements to IFRS – Book 11	January 1, 2026

The Group has assessed that the above standards and interpretations have no material impact on the Group’s financial position and financial performance.

(2) Effect of not adopting the newly promulgated or amended IFRS endorsed by the FSC

The table below lists the applicable new, revised, and amended standards and interpretations of the IFRSs in 2027 as endorsed by the FSC:

<u>New, Amended, or Revised Standards and Interpretations</u>	<u>Effective Date Announced by the IASB</u>
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 1)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027
Amendments to IAS 28 “Amendments to the Fair Value Option for Investments in Associates and Joint Ventures”	January 1, 2027 (Note 2)

Note 1: IFRS 18 should be applicable to enterprises from January 1, 2028, and enterprises may also choose to apply it earlier.

Note 2: Enterprises shall apply these amendments concurrently with IFRS 18.

The Group has assessed that the above standards and interpretations have no material impact on the Group’s financial position and financial performance, except for the following:

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 “Presentation and Disclosure in Financial Statements” supersedes IAS 1 and introduces a revised structure for the statement of profit or loss and other comprehensive income, adds disclosure requirements for management performance measures, and strengthens the aggregation and disaggregation principles applicable to the primary financial statements and notes.

(3) Effect of the IFRSs issued by the IASB but not yet endorsed by the FSC

The table below summarizes the newly issued, revised, and amended IFRSs issued by the IASB but not yet endorsed by the FSC:

<u>New, Amended, or Revised Standards and Interpretations</u>	<u>Effective Date Announced by the IASB</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by the IASB
IFRS 20 “Regulatory Assets and Regulatory Liabilities”	January 1, 2029

The Group has assessed that the above standards and interpretations have no material impact on the Group’s financial position and financial performance.

4. Summary of significant accounting policies

The consolidated financial statements are prepared using simplified disclosures in accordance with IAS 34 “Interim Financial Reporting.” Except for the compliance statement, basis of preparation, basis of consolidation, and additional explanations provided below, the significant accounting policies remain the same as those in Note 4 to the 2025 consolidated financial statements. Unless otherwise stated, said policies apply consistently throughout all reporting periods.

(1) Compliance statement

- A. The consolidated financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC.
- B. The consolidated financial statements should be read together with the 2025 consolidated financial statements.

(2) Basis of preparation

- A. Except for the financial assets at fair value through other comprehensive income, the consolidated financial statements were prepared at historical cost.
- B. The preparation of financial statements in compliance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, “IFRSs”) and as endorsed and issued into effect by the FSC requires the use of some critical accounting estimates. In the process of applying the Company’s accounting policies, management also needed to exercise its judgment. For items requiring meticulous judgment or involving complexity, or involving critical assumptions and estimates in the consolidated financial statements, please refer to Note 5 for details.

(3) Basis of consolidation

- A. Principles for preparing consolidated financial statements
The principles for preparing the consolidated financial statements are the same as those for preparing the 2025 consolidated financial statements.

B. The subsidiaries included in the consolidated financial statements:

Name of Investor	Name of the subsidiary	Business nature	Percentage of ownership			Description
			June 30, 2026	December 31, 2025	June 30, 2025	
Information Technology Total Services Co., Ltd.	Unison Service Corporation	Customer relationship management services and consulting services for the customer service center establishment	100%	100%	100%	
Information Technology Total Services Co., Ltd.	Universal Mail Service Ltd.	Postal information integration and bill printing outsourcing services	100%	100%	100%	
Information Technology Total Services Co., Ltd.	Information Technology Total Services (BVI) CO., Ltd.	Investment holding company	100%	100%	100%	
Information Technology Total Services (BVI) CO., Ltd.	Information Technology (WUXI) Co., Ltd.	ERP establishment, system maintenance, and information equipment procurement	100%	100%	100%	

Note: The deregistration was completed on August 11, 2022.

C. The subsidiaries not included in the consolidated financial statements: N/A.

D. Different adjustments and treatment methods of subsidiaries in the accounting period: N/A.

E. Significant restrictions: None.

F. Subsidiaries with non-controlling interests that are material to the Group: N/A.

5. Major sources of uncertainty for significant accounting judgments, estimates, and assumptions

There was no significant change in the current period; please refer to Note 5 to the 2025 consolidated financial statements.

6. Description of Significant Accounting Titles

(1) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand and working capital	\$ 236	\$ 273	\$ 264
Checking deposits, demand deposits, and time deposit	<u>390,288</u>	<u>468,839</u>	<u>298,915</u>
Total	<u>\$ 390,524</u>	<u>\$ 469,112</u>	<u>\$ 299,179</u>

- A. The financial institutions the Group deals with have high credit ratings. The Group also deals with multiple financial institutions simultaneously to diversify credit risks. Therefore, the expected risk of default is low.
- B. As of June 30, 2026, December 31, 2025, and June 30, 2025, the Group provided restricted cash and cash equivalents as performance bonds, amounting to NT\$3,958, NT\$4,106, and NT\$3,502, respectively (recognized in “1136 Financial assets measured at amortized cost – current” and “1535 Financial assets measured at amortized cost – non-current”).

(2) Financial assets at fair value through other comprehensive income

Item	June 30, 2026	December 31, 2025	June 30, 2025
Non-current items:			
Unlisted stocks	<u>\$ 33,735</u>	<u>\$ 33,291</u>	<u>\$ 31,038</u>

- A. The Group has elected to classify unlisted stocks with stable dividends as financial assets measured at fair value through other comprehensive income. The fair values of these investments as of June 30, 2026, December 31, 2025, and June 30, 2025 were NT\$33,735, NT\$33,291, and NT\$31,038, respectively.
- B. The amount of financial assets at fair value through other comprehensive income recognized in dividend revenue under profit or loss for the three months and six months ended June 30, 2026 and 2025 was NT\$3,343, NT\$3,349, NT\$3,343 and NT\$3,349, respectively.
- C. For information on the price risk and the fair value of financial assets at fair value through other comprehensive income, please refer to Note 12(2) and (3).

(3) Financial assets measured at amortized cost

Item	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Restricted bank deposits	\$ 253	\$ 149	\$ -
Pledged time deposits	<u>3,705</u>	<u>3,704</u>	<u>3,249</u>
Total	<u>\$ 3,958</u>	<u>\$ 3,853</u>	<u>\$ 3,249</u>
Non-current items:			
Pledged time deposits	<u>\$ -</u>	<u>\$ 253</u>	<u>\$ 253</u>

- A. Financial assets measured at amortized cost which are recognized in profit or loss are detailed as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Interest revenue	<u>\$ 8</u>	<u>\$ 2</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Interest revenue	<u>\$ 16</u>	<u>\$ 7</u>

- B. As of June 30, 2026, December 31, 2025, and June 30, 2025, regardless of the collateral held or other credit enhancements, the maximum amount of the exposure to the credit risk arising from the Group's financial assets measured at amortized cost was in the amounts of NT\$3,958, NT\$4,106, and NT\$3,502, respectively.
- C. For financial assets measured at amortized cost which have been pledged by the Group as collateral, see Note 8.
- D. Please refer to Note 12(2) for information on the credit risk of financial assets at amortized cost. The counterparties for the Group's investment in certificates of deposit are financial institutions with high credit ratings. Therefore, the expected risk of default is low.

(4) Notes and Accounts Receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	<u>\$ 5,490</u>	<u>\$ 6,995</u>	<u>\$ 4,722</u>
Accounts receivable	\$ 127,708	\$ 168,232	\$ 186,328
Less: Allowance for loss	<u>(1,988)</u>	<u>(2,434)</u>	<u>(1,988)</u>
	<u>\$ 125,720</u>	<u>\$ 165,798</u>	<u>\$ 184,340</u>

A. The aging analysis of accounts receivable and notes receivable is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Not past due	\$ 125,016	\$ 165,124	\$ 170,709
Within 30 days	7,494	12	15,528
31–90 days	610	3,571	1,017
91–180 days	78	1,457	3,796
Over 181 days	-	5,063	-
	<u>\$ 133,198</u>	<u>\$ 175,227</u>	<u>\$ 191,050</u>

The aging analysis stated above is based on the number of overdue days.

- B. The balances of accounts receivable and notes receivable as of June 30, 2026, December 31, 2025 and June 30, 2025 were all generated from customer contracts. In addition, the balance of accounts receivable from customer contracts on January 1, 2025 was NT\$190,737.
- C. As of June 30, 2026, December 31, 2025, and June 30, 2025, regardless of the collateral held and other credit enhancements, the maximum amount of the exposure to the credit risk arising from the Group's notes receivable was in the amount of NT\$5,490, NT\$6,995, and NT\$4,722, respectively; the maximum amount of the exposure to the credit risk arising from the Group's accounts receivable was in the amounts of NT\$125,720, NT\$165,798, and NT\$184,340, respectively
- D. Please refer to Note 12(2) for more information on the credit risk of the accounts and notes receivable.

(5) Inventories

	June 30, 2026		
	Costs	Allowance for valuation loss	Carrying Amount
Raw materials	\$ 2,142	\$ -	\$ 2,142
Merchandise inventory	13,320	-	13,320
Software and hardware costs and consumables for projects	237	(198)	39
	<u>\$ 15,699</u>	<u>(\$ 198)</u>	<u>\$ 15,501</u>
	December 31, 2025		
	Costs	Allowance for valuation loss	Carrying Amount
Raw materials	\$ 1,419	\$ -	\$ 1,419
Goods in process	39	-	39
Finished products	1,223	-	1,223
Software and hardware costs and consumables for projects	2,726	(2,689)	37
	<u>\$ 5,407</u>	<u>(\$ 2,689)</u>	<u>\$ 2,718</u>

	June 30, 2025		
	Costs	Allowance for valuation loss	Carrying Amount
Raw materials	\$ 1,877	\$ -	\$ 1,877
Goods in process	13	-	13
Finished products	1,446	-	1,446
Merchandise inventory	16,636	-	16,636
Software and hardware costs and consumables for projects	2,761	(2,689)	72
	<u>\$ 22,733</u>	<u>(\$ 2,689)</u>	<u>\$ 20,044</u>

The cost of inventories and consumables sold by the Group for the three months and six months ended June 30, 2026 and 2025 were NT\$66,778, NT\$66,065, NT\$121,545 and NT\$131,128, respectively.

(6) Prepayments

	June 30, 2026	December 31, 2025	June 30, 2025
Prepaid license fees	\$ 1,140	\$ 1,226	\$ 5,303
Prepaid maintenance fees	5,624	971	1,333
Refundable taxes	1,086	285	1,399
Other prepaid expenses	9,656	11,643	10,809
	<u>\$ 17,506</u>	<u>\$ 14,125</u>	<u>\$ 18,844</u>

(7) Investments accounted for using the equity method

	June 30, 2026	December 31, 2025	June 30, 2025
Tension Envelope Taiwan Corporation	\$ 46,266	\$ 43,443	\$ 43,839
An-Hui Information Technology Co., Ltd.	3,139	3,143	3,164
	<u>\$ 49,405</u>	<u>\$ 46,586</u>	<u>\$ 47,003</u>

- A. The Group holds 50% of the voting rights of Tension Envelope Taiwan Corporation (hereinafter referred to as “Tension Envelope”). However, the Group does not have substantive control over Tension Envelope. Tension Envelope’s operating decisions and personnel appointments by its board of directors are guided by another joint venture company that holds 50% of its voting rights, so the Group’s investment in Tension Envelope is handled using the equity method.
- B. The Group holds 15% of the voting rights of An-Hui Information Technology Co., Ltd. (hereinafter referred to as “An-Hui Information”), and holds a seat on the board. With significant influence on An-Hui Information, the Group adopts the equity method for investment in An-Hui Information.

C. Associates and joint ventures

(A) The basic information of the Group's associates is as follows:

Company name	Principal place of business	Shareholding percentage			Relationship	Measurement method
		June 30, 2026	December 31, 2025	June 30, 2025		
Tension Envelope Taiwan Corporation	Taiwan	50%	50%	50%	Suppliers of the Group	Equity method
An-Hui Information Technology Co., Ltd.	Taiwan	15%	15%	15%	Strategic collaboration	Equity method

(B) The carrying amounts of the Group's associates that are individually immaterial and their share of operating results are aggregated below:

As of June 30, 2026, December 31, 2025, and June 30, 2025, the carrying amounts of the Group's associates that are individually immaterial were NT\$49,405, NT\$46,586, and NT\$47,003, respectively.

	April 1 to June 30, 2026		April 1 to June 30, 2025	
Net income (loss) from continuing operations in the current period	\$	1,868	(\$	498)
Other comprehensive income (net of tax)		-		-
Current total comprehensive income	\$	1,868	(\$	498)
	January 1 to June 30, 2026		January 1 to June 30, 2025	
Net income from continuing operations in the current period	\$	2,819	\$	699
Other comprehensive income (net of tax)		-		-
Current total comprehensive income	\$	2,819	\$	699

(8) Property, plant, and equipment

	Machinery and equipment	Office equipment	Leasehold improvements	Others	Total
January 1, 2026					
Costs	\$ 64,834	\$ 16,996	\$ 13,777	\$ 1,222	\$ 96,829
Accumulated depreciation and impairment	(44,330)	(12,932)	(10,791)	(924)	(68,977)
	<u>\$ 20,504</u>	<u>\$ 4,064</u>	<u>\$ 2,986</u>	<u>\$ 298</u>	<u>\$ 27,852</u>
January 1, 2026	\$ 20,504	\$ 4,064	\$ 2,986	\$ 298	\$ 27,852
Additions	550	1,879	-	101	2,530
Disposals	-	-	-	(144)	(144)
Disposals – accumulated depreciation	-	-	-	140	140
Depreciation expenses	(2,194)	(1,333)	(725)	(76)	(4,328)
Net exchange difference	<u>-</u>	<u>10</u>	<u>-</u>	<u>11</u>	<u>21</u>
June 30, 2026	<u>\$ 18,860</u>	<u>\$ 4,620</u>	<u>\$ 2,261</u>	<u>\$ 330</u>	<u>\$ 26,071</u>
June 30, 2026					
Costs	\$ 65,384	\$ 18,959	\$ 13,777	\$ 1,229	\$ 99,349
Accumulated depreciation and impairment	(46,524)	(14,339)	(11,516)	(899)	(73,278)
	<u>\$ 18,860</u>	<u>\$ 4,620</u>	<u>\$ 2,261</u>	<u>\$ 330</u>	<u>\$ 26,071</u>
	Machinery and equipment	Office equipment	Leasehold improvements	Others	Total
January 1, 2025					
Costs	\$ 60,470	\$ 14,506	\$ 13,777	\$ 990	\$ 89,743
Accumulated depreciation and impairment	(40,217)	(10,876)	(9,075)	(795)	(60,963)
	<u>\$ 20,253</u>	<u>\$ 3,630</u>	<u>\$ 4,702</u>	<u>\$ 195</u>	<u>\$ 28,780</u>
January 1, 2025	\$ 20,253	\$ 3,630	\$ 4,702	\$ 195	\$ 28,780
Additions	-	675	-	56	731
Depreciation expenses	(1,946)	(920)	(922)	(37)	(3,825)
Net exchange difference	<u>-</u>	<u>(27)</u>	<u>-</u>	<u>(14)</u>	<u>(41)</u>
June 30, 2025	<u>\$ 18,307</u>	<u>\$ 3,358</u>	<u>\$ 3,780</u>	<u>\$ 200</u>	<u>\$ 25,645</u>
June 30, 2025					
Costs	\$ 60,470	\$ 15,051	\$ 13,777	\$ 992	\$ 90,290
Accumulated depreciation and impairment	(42,163)	(11,693)	(9,997)	(792)	(64,645)
	<u>\$ 18,307</u>	<u>\$ 3,358</u>	<u>\$ 3,780</u>	<u>\$ 200</u>	<u>\$ 25,645</u>

A. The Group had no capitalization of interest for the six months ended June 30, 2026 and 2025.

B. All of the property, plant, and equipment of the Group are only for private use.

C. The Group did not pledge property, plant, and equipment as collateral.

(9) Intangible assets

	2026	2025
	Computer software	Computer software
January 1		
Costs	\$ 16,311	\$ 15,241
Cumulative amortization	(6,355)	(4,521)
	<u>\$ 9,956</u>	<u>\$ 10,720</u>
January 1	\$ 9,956	\$ 10,720
Transfers in the current period	-	1,070
Amortization expenses	(764)	(894)
June 30	<u>\$ 9,192</u>	<u>\$ 10,896</u>
June 30		
Costs	\$ 16,311	\$ 16,311
Cumulative amortization	(7,119)	(5,415)
	<u>\$ 9,192</u>	<u>\$ 10,896</u>

(10) Lease transactions – lessee

A. The underlying assets leased by the Group include buildings, machinery and equipment, and transportation equipment. Lease terms generally range from one to five years. The lease contracts are negotiated separately and contain various terms and conditions. Lease assets cannot be used as collateral for loans but there are no further restrictions.

B. The carrying amounts of the right-of-use assets and the recognized depreciation expenses are described below:

	June 30, 2026	December 31, 2025	June 30, 2025
	Carrying Amount	Carrying Amount	Carrying Amount
Buildings	\$ 2,877	\$ 749	\$ 2,238
Machinery and equipment	1,090	1,735	2,380
Transportation equipment	<u>2,680</u>	<u>2,443</u>	<u>3,015</u>
	<u>\$ 6,647</u>	<u>\$ 4,927</u>	<u>\$ 7,633</u>

	April 1 to June 30, 2026	April 1 to June 30, 2025
	Depreciation expenses	Depreciation expenses
Buildings	\$ 146	\$ 746
Machinery and equipment	322	323
Transportation equipment	359	264
	<u>\$ 827</u>	<u>\$ 1,333</u>

	January 1 to June 30, 2026	January 1 to June 30, 2025
	Depreciation expenses	Depreciation expenses
Buildings	\$ 666	\$ 1,490
Machinery and equipment	645	529
Transportation equipment	715	412
	<u>\$ 2,026</u>	<u>\$ 2,431</u>

- C. The additions to the Group's right-of-use assets for the three months and six months ended June 30, 2026 and 2025 were NT\$3,193, NT\$2,163, NT\$4,298 and NT\$5,373, respectively.
- D. Information on the profit or loss items related to lease contracts is as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025
<u>Items affecting the current profit or loss</u>		
Interest expense on lease liabilities	\$ 27	\$ 37
Expenses for short-term lease contracts and leases of low-value assets	3,718	2,879
	January 1 to June 30, 2026	January 1 to June 30, 2025
<u>Items affecting the current profit or loss</u>		
Interest expense on lease liabilities	\$ 52	\$ 64
Expenses for short-term lease contracts and leases of low-value assets	7,021	6,173
Gain on lease modification	4	-

- E. The Group's total cash outflows from leases for the six months ended June 30, 2026 and 2025 were NT\$9,118 and NT\$8,707, respectively.

(11) Long-term notes and accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Long-term accounts receivable	\$ 13,880	\$ 43,159	\$ 43,159
Less: Unrealized interest revenue	(151)	(910)	(1,355)
Total	<u>\$ 13,729</u>	<u>\$ 42,249</u>	<u>\$ 41,804</u>

A. The expected recovery is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
2–5 years	<u>\$ 13,880</u>	<u>\$ 43,159</u>	<u>\$ 43,159</u>

B. The balances of notes and accounts receivable within one year as of June 30, 2026, December 31, 2025, and June 30, 2025 were all NT\$44,680, and have been reclassified in their entirety under account “1170 Accounts Receivable.”

C. Please refer to Note 12(2) for detailed information on the credit risk of long-term notes and accounts receivable.

(12) Other payables

	June 30, 2026	December 31, 2025	June 30, 2025
Salaries payable	\$ 36,031	\$ 52,986	\$ 30,456
Employee compensation and director and supervisor remuneration payable	9,213	14,013	8,395
Labor and health insurance premiums and pensions payable	8,691	7,733	6,948
Business tax payable	1,245	4,704	1,571
Social insurance fund payable	1,493	1,354	1,092
Payables for equipment	525	587	280
Service fees payable	865	720	801
Expenses payable – others	<u>4,017</u>	<u>4,113</u>	<u>2,063</u>
	<u>\$ 62,080</u>	<u>\$ 86,210</u>	<u>\$ 51,606</u>

(13) Pensions

- A. Before the settlement of the Labor Retirement Reserve Fund (the old fund) on February 3, 2017, the Company established defined-benefit pension regulations in accordance with the provisions of the Labor Standards Act, which were applicable to all formal employees who were employed prior to the enforcement of the Labor Pension Act on July 1, 2005, and to the formal employees who still chose the old fund mechanism under the Labor Standards Act after the Labor Pension Act took effect. Under the defined benefit pension plan, two units are granted for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units granted and the average monthly salary of the last six months prior to retirement. The Company contributes 2% of the employees' total wages to a pension fund on a monthly basis and deposits it in a specific account with the Bank of Taiwan in the name of the Labor Pension Reserve Committee.
- B. Since July 1, 2005, the Company and its domestic subsidiaries have established defined-contribution retirement regulations in accordance with the Labor Pension Act, which are applicable to employees with Taiwanese nationality. For the pension plan under the Labor Pension Act chosen by employees, the Company and its domestic subsidiaries make monthly contributions to the individual pension accounts of employees at a rate of 6% of their monthly salaries. Upon retirement, employees receive their pension—derived from the balance of their individual accounts and accumulated earnings—in the form of either monthly payments or a lump sum payment.
- C. Some subsidiaries of the Group make monthly contributions according to a certain percentage of local employees' salaries in accordance with the pension system stipulated by the government of the People's Republic of China; the contribution percentages were 16% for the six months ended June 30 in both 2026 and 2025. The pension for each employee is managed by the government; thus, the Group does not have any obligations beyond making monthly contributions.
- D. The cost of pensions recognized based on the methods above for the three months and six months ended June 30, 2026 and 2025 were NT\$4,254, NT\$3,752, NT\$8,521 and NT\$7,472, respectively.

(14) Liability reserve

	2026	2025
	Others	Others
Balance as of January 1 (or June 30)	\$ 8,025	\$ 8,025

Liability reserve is analyzed as following:

	June 30, 2026	December 31, 2025	June 30, 2025
Current	\$ 8,025	\$ 8,025	\$ 8,025

The provision for liability arises from the Group's obligation to pay \$8,025 to compensate a supplier for losses resulting from the termination of a contract.

(15) Share capital

As of June 30, 2026, the Company's registered capital was NT\$400,000, divided into 40,000 thousand shares, and the paid-in capital was NT\$273,234, with a par value of NT\$10 per share. The payment for the issued shares of the Company has been received. The number of issued and outstanding shares of the Company remained unchanged for the six months ended June 30 in both 2026 and 2025.

(16) Capital surplus

In accordance with the Company Act, the premium derived from issuing shares at a price in excess of their par value and capital surplus arising from donated assets may be used to offset losses; however, in the absence of accumulated losses, such amounts may be distributed to shareholders in the form of new shares or cash in proportion to their existing shareholdings. According to the Securities and Exchange Act, when the aforementioned capital surplus is used for capitalization, the total capital surplus in any given year shall not exceed 10% of the paid-in capital. The Company shall not use the capital surplus to make up for capital losses, unless the surplus reserve is insufficient to make up for such losses.

(17) Retained earnings

A. The earnings distribution plan specified in the Company's Articles of Incorporation is as follows:

According to the Company's Articles of Incorporation, if the Company records a profit upon annual account settlement, an amount shall first be allocated for tax payments and for making up accumulated losses in accordance with the law. Then, 10% shall be set aside as a legal reserve, provided that the legal reserve no longer be appropriated if it reaches the total amount of the Company's paid-in capital. In addition, a special surplus reserve shall be set aside or reversed in accordance with the regulations of the competent authority. If there is any remaining balance, it shall be added to the undistributed surplus of the previous year, and the Board of Directors shall formulate a surplus distribution proposal. The stock dividend proposal shall be submitted to the shareholders' meeting for resolution and distribution. For the cash dividend distribution proposal, the Board of Directors is authorized to make the distribution with the resolution a majority of directors present at a meeting attended by at least two-thirds of all directors. The distribution shall be reported to the shareholders' meeting.

B. The legal reserve shall not be used except to compensate for the Company's losses and the issuance of new shares or cash in proportion to the shareholders' original shares. However, in the case of the issuance of new shares or cash, it shall be limited to the portion of the legal reserve in excess of 25% of the paid-in capital.

C. (A) In accordance with the regulations, the Company shall set aside a special reserve from the debit balance of other equity items at the balance sheet date before distributing earnings. When the debit balance of other equity items is reversed subsequently, the reversed amount may be included in the distributable earnings.

(B) Upon the first-time adoption of IFRSs, the special reserve was set aside per Letter Jin-Guan-Zheng-Fa-Zi No. 1090150022 dated March 31, 2021. When the Company subsequently uses, disposes of, or reclassifies relevant assets, the original proportion of the special reserve shall be reversed. If the aforementioned assets are investment property, they shall be reversed at the time of disposal or reclassification in the case of land, while for property other than land, it shall be reversed phase by phase during the period of use.

- D. On May 29, 2026 and May 19, 2025, the Company's shareholders' meetings passed the earnings distribution proposals for the years 2025 and 2024 as follows:

	2025		2024	
	Amount	Dividends per share (NTD)	Amount	Dividends per share (NTD)
Legal reserve	\$ 8,301		\$ 7,172	
Special reserves	1,005		469	
Cash dividend	71,041	\$ 2.6	57,379	\$ 2.1
Total	<u>\$ 80,347</u>		<u>\$ 65,020</u>	

(18) Other equity items

	2026	2025
January 1	(\$ 1,005)	\$ 1,974
Foreign currency exchange difference	1,639	(7,747)
June 30	<u>\$ 634</u>	<u>(\$ 5,773)</u>

(19) Operating revenue

	April 1 to June 30, 2026	April 1 to June 30, 2025
Income from customer contracts		
Service revenue	\$ 290,221	\$ 296,601
Sales revenue	2,257	3,964
Total	<u>\$ 292,478</u>	<u>\$ 300,565</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Income from customer contracts		
Service revenue	\$ 708,372	\$ 678,388
Sales revenue	3,584	10,985
Total	<u>\$ 711,956</u>	<u>\$ 689,373</u>

A. Details of revenue from customer contracts

The Group's revenue comes from the provision of goods and services that are both gradually transferred over time and transferred at a certain point in time. The revenue can be broken down into the following main product lines:

<u>April 1 to June 30, 2026</u>	<u>Information technology outsourcing</u>	<u>Business process outsourcing</u>	<u>Total</u>
Revenue from contracts with external customers	<u>\$ 167,944</u>	<u>\$ 124,534</u>	<u>\$ 292,478</u>
Time point of revenue recognition			
Revenue recognized at a point in time	\$ 23,005	\$ 3,170	\$ 26,175
Revenue recognized gradually over time	<u>144,939</u>	<u>121,364</u>	<u>266,303</u>
	<u>\$ 167,944</u>	<u>\$ 124,534</u>	<u>\$ 292,478</u>
 <u>April 1 to June 30, 2025</u>	 <u>Information technology outsourcing</u>	 <u>Business process outsourcing</u>	 <u>Total</u>
Revenue from contracts with external customers	<u>\$ 172,346</u>	<u>\$ 128,219</u>	<u>\$ 300,565</u>
Time point of revenue recognition			
Revenue recognized at a point in time	\$ 7,816	\$ 4,184	\$ 12,000
Revenue recognized gradually over time	<u>164,530</u>	<u>124,035</u>	<u>288,565</u>
	<u>\$ 172,346</u>	<u>\$ 128,219</u>	<u>\$ 300,565</u>
 <u>January 1 to June 30, 2026</u>	 <u>Information technology outsourcing</u>	 <u>Business process outsourcing</u>	 <u>Total</u>
Revenue from contracts with external customers	<u>\$ 482,995</u>	<u>\$ 228,961</u>	<u>\$ 711,956</u>
Time point of revenue recognition			
Revenue recognized at a point in time	\$ 196,887	\$ 7,629	\$ 204,516
Revenue recognized gradually over time	<u>286,108</u>	<u>221,332</u>	<u>507,440</u>
	<u>\$ 482,995</u>	<u>\$ 228,961</u>	<u>\$ 711,956</u>

January 1 to June 30, 2025	Information technology outsourcing	Business process outsourcing	Total
Revenue from contracts with external customers	<u>\$ 449,712</u>	<u>\$ 239,661</u>	<u>\$ 689,373</u>
Time point of revenue recognition			
Revenue recognized at a point in time	\$ 160,804	\$ 11,548	\$ 172,352
Revenue recognized gradually over time	<u>288,908</u>	<u>228,113</u>	<u>517,021</u>
	<u>\$ 449,712</u>	<u>\$ 239,661</u>	<u>\$ 689,373</u>

B. Contract assets and contract liabilities

Contract assets and contract liabilities related to revenue from customer contracts recognized by the Group are as follows:

(A) Contract assets and liabilities:

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Contract assets:				
Information system consultancy contracts	<u>\$ 133,981</u>	<u>\$ 88,974</u>	<u>\$ 169,013</u>	<u>\$ 181,242</u>
Contract liabilities:				
Advance receipts	<u>\$ 25,315</u>	<u>\$ 24,595</u>	<u>\$ 31,928</u>	<u>\$ 39,818</u>

(B) Contract liabilities at the beginning of the period recognized in revenue in the current period:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Advance receipts	<u>\$ 4,523</u>	<u>\$ 6,992</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Advance receipts	<u>\$ 6,878</u>	<u>\$ 19,441</u>

(C) Unfulfilled long-term consultancy contract

As of June 30, 2026, December 31, 2025, and June 30, 2025, the contract prices allocated to the unfulfilled (or not yet fully fulfilled) portions of the long-term consultancy contracts signed by the Group and its customers were NT\$92,439, NT\$124,859, and NT\$169,737, respectively. Management expects that the transaction prices allocated to unsatisfied contractual obligations as of June 30, 2026 and 2025 will be recognized as revenue in fiscal years 2027 and 2026 in the amounts of NT\$5,803 and NT\$33,102, respectively. The aforementioned amounts do not include the amount of consideration for restricted changes.

In addition to the above-mentioned contracts, all other information system consultancy contracts of the Group are contracts that are shorter than one year or are billed based on actual service hours. According to IFRS 15, there is no need to disclose the transaction prices allocated to the unfulfilled contractual obligations of these contracts.

- C. The notes and accounts receivable with payment periods exceeding one year are recognized in “1930 Long-term notes and accounts receivable.”

(20) Interest revenue

	April 1 to June 30, 2026	April 1 to June 30, 2025
Bank deposit interest	\$ 1,502	\$ 1,224
Interest income measured at amortized cost	8	2
Other interest revenue	77	224
	<u>\$ 1,587</u>	<u>\$ 1,450</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Bank deposit interest	\$ 2,045	\$ 2,135
Interest income measured at amortized cost	16	7
Other interest revenue	770	748
	<u>\$ 2,831</u>	<u>\$ 2,890</u>

(21) Other revenue

	April 1 to June 30, 2026	April 1 to June 30, 2025
Dividend revenue	\$ 3,343	\$ 3,349
Non-operating income	-	43
	<u>\$ 3,343</u>	<u>\$ 3,392</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Dividend revenue	\$ 3,343	\$ 3,349
Non-operating income	9	57
	<u>\$ 3,352</u>	<u>\$ 3,406</u>

(22) Other gains and losses

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Gain (loss) on foreign exchange	(\$ 249)	(\$ 4,155)
Gain on disposal of property, plant, and equipment	1	-
Miscellaneous expenditures	(2)	(6)
	<u>(\$ 250)</u>	<u>(\$ 4,161)</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Gain (loss) on foreign exchange	\$ 429	(\$ 3,843)
Gain on disposal of property, plant, and equipment	1	-
Gain on lease modification	4	-
Miscellaneous expenditures	(8)	(38)
	<u>\$ 426</u>	<u>(\$ 3,881)</u>

(23) Financial costs

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Interest on leases	\$ 27	\$ 37
Bank borrowings	-	80
Other financial expenses	5	5
	<u>\$ 32</u>	<u>\$ 122</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Interest on leases	\$ 52	\$ 64
Bank borrowings	27	80
Other financial expenses	10	10
	<u>\$ 89</u>	<u>\$ 154</u>

(24) Additional information on the nature of expenses (including the employee benefit expenses)

	April 1 to June 30, 2026	April 1 to June 30, 2025
Salary expenses	\$ 81,745	\$ 75,958
Expenses for labor and health insurance	7,832	6,514
Pension expenses	4,254	3,752
Other employment expenses	4,622	4,130
Depreciation expense on property, plant, and equipment	2,183	1,949
Depreciation expense on right-of-use assets	827	1,333
Amortization expense on intangible assets	382	488
	<u>\$ 101,845</u>	<u>\$ 94,124</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Salary expenses	\$ 158,695	\$ 146,386
Expenses for labor and health insurance	14,918	13,302
Pension expenses	8,521	7,472
Other employment expenses	9,273	8,006
Depreciation expense on property, plant, and equipment	4,328	3,825
Depreciation expense on right-of-use assets	2,026	2,431
Amortization expense on intangible assets	764	894
	<u>\$ 198,525</u>	<u>\$ 182,316</u>

Note: Additional information on the nature of said expenses, including the operating costs

- A. Pursuant to the Company's Articles of Incorporation, after offsetting accumulated losses against current-year earnings, any remaining balance shall be allocated as employee compensation at a rate of 1% to 10% (of which the allocation for non-managerial employees shall not be less than 15% of the total employee compensation), and director compensation at a rate not exceeding 5%.
- B. For the three months and six months ended June 30, 2026 and 2025, the Company's estimated amounts of employee compensation were NT\$2,817, NT\$2,156, NT\$4,927 and NT\$4,436, respectively; the estimated amounts for director remuneration were NT\$2,012, NT\$1,541, NT\$3,519 and NT\$3,169, respectively, and the foregoing amounts were accounted for under salary expenses.

For the six months ended June 30, 2026, according to the profitability up to the end of current period, said estimates were made at 1–10% and no greater than 5%, respectively.

The amounts of employee compensation and director remuneration for the year 2025, as resolved by the board of directors, were NT\$7,956 and NT\$5,682, respectively, which were consistent with the amounts recognized in the financial statements for 2025. The employee compensation for 2025 was paid in cash.

Information on employee compensation and director remuneration approved by the board of directors of the Company is available on the Market Observation Post System.

(25) Income tax

A. Income tax expense

(A) Components of the income tax expense:

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Current income tax:		
Income tax on current income	\$ 5,885	\$ 11,333
Surtax on undistributed earnings	278	363
Understatement of income tax in previous years	159	1,768
Others	-	2,179
Total current income tax	<u>6,322</u>	<u>15,643</u>
Deferred tax:		
Initial generation and reversal of temporary differences	<u>1,441</u>	<u>(4,276)</u>
Total deferred income tax	<u>1,441</u>	<u>(4,276)</u>
Income tax expense	<u>\$ 7,763</u>	<u>\$ 11,367</u>

	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Current income tax:		
Income tax on current income	\$ 11,221	\$ 16,844
Surtax on undistributed earnings	278	363
Understatement of income tax in previous years	159	1,768
Others	-	2,179
Total current income tax	<u>11,658</u>	<u>21,154</u>
Deferred tax:		
Initial generation and reversal of temporary differences	<u>1,574</u>	<u>(3,636)</u>
Total deferred income tax	<u>1,574</u>	<u>(3,636)</u>
Income tax expense	<u>\$ 13,232</u>	<u>\$ 17,518</u>

(B) The amount of income tax related to other comprehensive income:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Translation differences on foreign operations	(\$ 40)	\$ 2,256
	January 1 to June 30, 2026	January 1 to June 30, 2025
Translation differences on foreign operations	(\$ 410)	\$ 1,937

B. The Company's profit-seeking business income tax has been approved by the tax authority up to 2023.

(26) Earnings per share

	April 1 to June 30, 2026		
	Amount after tax	Weighted average number of outstanding shares (thousand shares)	Earnings per share (NTD)
<u>Basic earnings per share</u>			
Current net income attributable to ordinary shareholders of the parent company	\$ 29,265	27,323	\$ 1.07
<u>Diluted earnings per share</u>			
Employee compensation	-	246	
Current net income attributable to ordinary shareholders of the parent company plus potential effect of ordinary shares	\$ 29,265	27,569	\$ 1.06
	April 1 to June 30, 2025		
	Amount after tax	Weighted average number of outstanding shares (thousand shares)	Earnings per share (NTD)
<u>Basic earnings per share</u>			
Current net income attributable to ordinary shareholders of the parent company	\$ 26,643	27,323	\$ 0.98
<u>Diluted earnings per share</u>			
Employee compensation	-	47	
Current net income attributable to ordinary shareholders of the parent company plus potential effect of ordinary shares	\$ 26,643	27,370	\$ 0.97

January 1 to June 30, 2026			
	Amount after tax	Weighted average number of outstanding shares (thousand shares)	Earnings per share (NTD)
<u>Basic earnings per share</u>			
Current net income attributable to ordinary shareholders of the parent company	\$ 50,980	27,323	<u>\$ 1.86</u>
<u>Diluted earnings per share</u>			
Employee compensation	-	280	
Current net income attributable to ordinary shareholders of the parent company plus potential effect of ordinary shares	<u>\$ 50,980</u>	<u>27,603</u>	<u>\$ 1.85</u>

January 1 to June 30, 2025			
	Amount after tax	Weighted average number of outstanding shares (thousand shares)	Earnings per share (NTD)
<u>Basic earnings per share</u>			
Current net income attributable to ordinary shareholders of the parent company	\$ 50,211	27,323	<u>\$ 1.84</u>
<u>Diluted earnings per share</u>			
Employee compensation	-		<u>135</u>
Current net income attributable to ordinary shareholders of the parent company plus potential effect of ordinary shares	<u>\$ 50,211</u>	<u>27,458</u>	<u>\$ 1.83</u>

(27) Additional information on cash flows

Investing activities with only partial cash payments:

	January 1 to June 30, 2026	January 1 to June 30, 2025
Purchase of property, plant, and equipment	\$ 2,530	\$ 731
Add: Payables for equipment, beginning of the period	587	1,218
Less: Payables for equipment, end of the period	(525)	(280)
Cash paid in the current period	<u>\$ 2,592</u>	<u>\$ 1,669</u>

(28) Changes in liabilities from financing activities

	January 1, 2026	Changes in cash flows	No effect on changes in cash flows	June 30, 2026
Lease liabilities	\$ 4,997	(\$ 2,045)	\$ 3,741	\$ 6,693
Deposits received	<u>397</u>	<u>-</u>	<u>-</u>	<u>397</u>
Total liabilities from financing activities	<u>\$ 5,394</u>	<u>(\$ 2,045)</u>	<u>\$ 3,741</u>	<u>\$ 7,090</u>

	January 1, 2025	Changes in cash flows	No effect on changes in cash flows	June 30, 2025
Lease liabilities	\$ 4,854	(\$ 2,470)	\$ 5,373	\$ 7,757
Deposits received	<u>397</u>	<u>-</u>	<u>-</u>	<u>397</u>
Total liabilities from financing activities	<u>\$ 5,251</u>	<u>(\$ 2,470)</u>	<u>\$ 5,373</u>	<u>\$ 8,154</u>

7. Related party transactions

(1) Names of related parties and relationships

Name of the related party	Relationship with the Group
TECO Electric and Machinery Co., Ltd.	Ultimate parent company
An-Hui Information Technology Co., Ltd. (An-Hui Information)	Associates
Tension Envelope	Associates
Teco Industrial (Malaysia) Sdn. Bhd.	Other related parties
TECO (Vietnam) Electronic & Machinery Co., Ltd. (Vietnam TECO)	Other related parties
Teco Australia PTY. LTD. (Teco Australia)	Other related parties
TECO ELECTRIC & MACHINERY (PTE) LTD. (TECO Singapore)	Other related parties

Name of the related party	Relationship with the Group
Teco Electric & Machinery S.A. DE C.V.	Other related parties
TECO Technology (Vietnam) Co., Ltd. (TECO Technology Vietnam)	Other related parties
Teco Westinghouse Motor Company (TWMC)	Other related parties
Teco Westinghouse Motor Company S. A. de C. V. (Teco Mexico)	Other related parties
TEMICO Motor India Private Limited (TEMICO India)	Other related parties
MOTOVARIO S.P.A (Teco Italy)	Other related parties
NCL ENERGY SDN. BHD	Other related parties
PT. TECO MULTIGUNA ELEKTR	Other related parties
TYM Electric & Machine SDN. BHD.	Other related parties
Shanghai TECO Electric and Machinery Co., Ltd. (Shanghai TECO)	Other related parties
Taian Technology (Wuxi) Co., Ltd. (Taian Technology)	Other related parties
Taiwan Pelican Express Co., Ltd. (Taiwan Pelican Express)	Other related parties
An-Shin Food Services Co., Ltd. (An-Shin Food)	Other related parties
A-Ok Technical Service Co., Ltd.	Other related parties
E-Joy Electronics International Co., Ltd.	Other related parties
Taian-Ecobar Technology Co., Ltd.	Other related parties
Jiangxi TECO Westinghouse Motor Coil Co., Ltd.	Other related parties
Jiangxi TECO Electric and Machinery Co., Ltd. (Jiangxi TECO)	Other related parties
Jiangxi TECO Air Conditioning Equipment Co., Ltd. (Jiangxi TECO Air Conditioning)	Other related parties
TECO Sun Energy Company Limited	Other related parties
Tong-An Assets Management & Development Co., Ltd.	Other related parties
Zimtech Co., Ltd.	Other related parties
Yatec Engineering Corporation	Other related parties
Tung Pei Industrial Co., Ltd. (Tung Pei Industrial)	Other related parties
Tecnos International Consultant Co., Ltd. (Tecnos International)	Other related parties
Qingdao TECO Precision Mechatronics Co., Ltd.	Other related parties
Advantech Co., Ltd. (Advantech)	Other related parties
Nidec Corporation	Other related parties
TECO Tour Travel Service Co., Ltd. (TECO Tour Travel)	Other related parties
Fujio Food System Taiwan Co., Ltd.	Other related parties
Jie Zheng Property Service & Management Co., Ltd.	Other related parties
Wuxi TECO Electric and Machinery Co. Ltd. (Wuxi TECO)	Other related parties
Wuxi TECO Precision Industry Co., Ltd. (Wuxi TECO Precision)	Other related parties
Wuxi TECO Electro Devices Co., Ltd. (Wuxi TECO Electro Devices)	Other related parties
Technical Information International Co., Ltd. (Technical Information International)	Other related parties

Name of the related party	Relationship with the Group
TECO Group Science-Technology (Hangzhou) Co., Ltd. (Teco Hangzhou)	Other related parties
Royal Co., Ltd. (Royal)	Other related parties
Royal Host Taiwan Co., Ltd. (Royal Host)	Other related parties
TECO Image Systems Co., Ltd. (TECO Image)	Other related parties
Tecom Co., Ltd.	Other related parties
Tong-An Investment Co., Ltd.	Other related parties
Jinglaoman Food & Beverage Co., Ltd.	Other related parties
KOGYOKU FOODS CO., LTD.	Other related parties
ABC Cooking Studio Taiwan Co., Ltd.	Other related parties
Shanghai EVK e-Motor Technology Co., LTD (Shanghai EVK)	Other related parties
TECO (Dong Guang) Air Conditioning Equipment Co., Ltd. (TECO Dong Guang)	Other related parties
Shenchang Electric Co., Ltd.	Other related parties

(2) Significant transactions with related parties

A. Operating revenue

	April 1 to June 30, 2026	April 1 to June 30, 2025
Sale of goods:		
Other related parties	\$ 1,758	\$ 4,089
Sale of services:		
Parent company	62,465	57,600
Other related parties	41,818	39,055
Total	<u>\$ 106,041</u>	<u>\$ 100,744</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Sale of goods:		
Other related parties	\$ 3,085	\$ 10,809
Sale of services:		
Parent company	150,933	116,116
Other related parties	92,034	82,756
Total	<u>\$ 246,052</u>	<u>\$ 209,681</u>

(A) There are no significant differences in the transaction prices and payment terms of sales revenue in the transactions with non-associates, and the payment period is 60 to 90 days.

- (B) Service transactions include software business contracts, including those for enterprise resource planning and logistics outsourcing systems. Most of them are individual projects; therefore, the contract price is determined by negotiation between both parties. The payment period is usually 30 to 120 days, and there are no significant differences from transactions with non-associates.

B. Purchases

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Purchase of materials:		
Associates		
– Tension Envelope	\$ 335	\$ 324
Other related parties		
– Tecom	500	-
Purchase of services:		
Parent company	37	27
Other related parties		
– Taiwan Pelican Express	244	232
– Tecnos International	177	-
– Technical Information International	-	185
– Others	-	93
Total	<u>\$ 1,293</u>	<u>\$ 861</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Purchase of materials:		
Associates		
– Tension Envelope	\$ 674	\$ 737
Other related parties		
– Tecom	500	-
Purchase of services:		
Parent company	67	52
Other related parties		
– Taiwan Pelican Express	548	855
– Tecnos International	372	-
– Technical Information International	-	1,765
– Others	-	116
Total	<u>\$ 2,161</u>	<u>\$ 3,525</u>

- (A) No other transactions of the same type are available for comparison in terms of the purchase price and payment terms with associates, so the price and terms are decided in accordance with the contracts between both parties.
- (B) Service purchases from the parent company mainly consist of operational support services, and there are no similar types of transactions for comparison. The payment period is 30-60 days from the end of the month.
- (C) The purchase of services from other related parties includes personnel support, consulting fees, and freight for operational needs. The price conditions are roughly the same as those with general suppliers. The payment term is 30-60 days from the end of the month.

C. Contract assets

	June 30, 2026	December 31, 2025	June 30, 2025
Contract assets:			
Parent company	\$ 33,115	\$ 24,930	\$ 25,131
Other related parties			
– A-Ok	5,539	6,763	9,090
– Others	<u>8,242</u>	<u>6,421</u>	<u>17,097</u>
Total	<u>\$ 46,896</u>	<u>\$ 38,114</u>	<u>\$ 51,318</u>

Contract assets – related parties are mainly accounts related to the provision of information system consulting services.

D. Receivables from related parties

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable:			
Other related parties			
– Shanghai EVK	5,923	5,091	-
– WUXI TECO	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 163</u>
Subtotal	<u>5,923</u>	<u>5,091</u>	<u>163</u>
Accounts receivable:			
Parent company	34,211	59,935	27,285
Other related parties			
– Shanghai EVK	1,233	6,070	7,881
– Others	<u>35,477</u>	<u>19,040</u>	<u>23,674</u>
Subtotal	<u>70,921</u>	<u>85,045</u>	<u>58,840</u>
Other receivables – others:			
Other related parties			
– Others	<u>40</u>	<u>13</u>	<u>21</u>
Subtotal	<u>40</u>	<u>13</u>	<u>21</u>
Total	<u>\$ 76,884</u>	<u>\$ 90,149</u>	<u>\$ 59,024</u>

- (A) Receivables from related parties mainly come from the provision of relevant services, including information software, data processing, and electronic information supply.
- (B) Other receivables from related parties mainly include out-of-pocket expenses for telecommunications fees.

E. Payables to related parties

	June 30, 2026	December 31, 2025	June 30, 2025
Accounts payable:			
Parent company	\$ 196	\$ 193	\$ 235
Other related parties			
– Taiwan Pelican Express	46	226	103
– Tecnos International	125	54	-
Associates			
– Tension Envelope	351	350	340
Subtotal	<u>718</u>	<u>823</u>	<u>678</u>
Other payables – others:			
Parent company	1,303	1,303	1,103
Other related parties			
– Others	17	73	4
Subtotal	<u>1,320</u>	<u>1,376</u>	<u>1,107</u>
Total	<u>\$ 2,038</u>	<u>\$ 2,199</u>	<u>\$ 1,785</u>

F. Lease transactions – lessee

- (A) The Group has leased buildings from the parent company and Taian Technology. The lease terms are from January 1, 2026 to December 31, 2026, and from July 1, 2025 to June 30, 2026, respectively, with monthly payments.

(B) Rental expenses

	April 1 to June 30, 2026	April 1 to June 30, 2025
Parent company	\$ 1,666	\$ 1,576
Taian Technology	<u>105</u>	<u>94</u>
Total	<u>\$ 1,771</u>	<u>\$ 1,670</u>

	January 1 to June 30, 2026	January 1 to June 30, 2025
Parent company	\$ 3,332	\$ 3,152
Taian Technology	<u>207</u>	<u>196</u>
Total	<u>\$ 3,539</u>	<u>\$ 3,348</u>

(3) Information on remuneration to key management personnel

	April 1 to June 30, 2026	April 1 to June 30, 2025
Short-term employee benefits	\$ 6,320	\$ 6,191
Benefits after severance/retirement	174	164
Total	<u>\$ 6,494</u>	<u>\$ 6,355</u>

	January 1 to June 30, 2026	January 1 to June 30, 2025
Short-term employee benefits	\$ 16,324	\$ 14,731
Benefits after severance/retirement	355	332
Total	<u>\$ 16,679</u>	<u>\$ 15,063</u>

8. Pledged assets

The details of the assets pledged by the Group as collateral are as follows:

Assets	Carrying amount			Purpose of collateral
	June 30, 2026	December 31, 2025	June 30, 2025	
Time deposits and cash (presented under “1136 Financial assets measured at amortized cost – current”)	\$ 3,705	\$ 3,704	\$ 3,249	Business performance bond
Restricted bank deposits (presented under “1136 Financial assets measured at amortized cost – current”)	253	149	-	Business performance bond
Restricted bank deposits (presented under “1535 Financial assets measured at amortized cost – non-current”)	-	253	253	Business performance bond
Total	<u>\$ 3,958</u>	<u>\$ 4,106</u>	<u>\$ 3,502</u>	

9. Material contingent liabilities and unrecognized contractual commitments

(1) Contingency

N/A.

(2) Commitments

For the operating lease agreements, please refer to Note 7(2)6.

10. Major disaster losses

N/A.

11. Material events after the balance sheet date

On August 10, 2026, the Company's board of directors resolved to renew the lease of the office building from the related party, TECO Electric and Machinery Co., Ltd. (the Company's ultimate parent company), for a lease term from January 1, 2027 to December 31, 2031. According to the proposed lease agreement, the right-of-use assets and lease liabilities are expected to increase by NT\$32,431.

12. Others

(1) Capital management

The Group's capital management objectives are to ensure that the Group can continue as a going concern, maintain the best capital structure to meet the needs for equipment, and provide dividends to shareholders. Therefore, the Group's capital management aims to ensure that it has the necessary financial resources and operating plans to maintain or adjust the capital structure to respond to the operating capital, capital expenditures, research and development expenses, debt repayment, and dividend payments required in the following year.

(2) Financial instruments

A. Type of financial instruments

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Financial assets</u>			
Financial assets at fair value through other comprehensive income			
Investment in designated equity instruments selected	\$ 33,735	\$ 33,291	\$ 31,038
Financial assets measured at amortized cost			
Cash and cash equivalents	390,524	469,112	299,179
Financial assets measured at amortized cost	3,958	4,106	3,502
Notes receivable – (including from related parties)	11,413	12,086	4,885
Accounts receivable (including from related parties)	196,641	250,843	243,180
Other receivables (including from related parties)	9,258	8,257	10,099
Refundable deposits	10,427	11,015	9,314
Long-term accounts receivable	13,729	42,249	41,804
	<u>\$ 669,685</u>	<u>\$ 830,959</u>	<u>\$ 643,001</u>
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost			
Notes payable	\$ 1,251	\$ 81	\$ 531
Accounts payable (including to related parties)	198,578	257,126	228,211
Other payables (including to related parties)	63,400	87,586	52,713
Deposits received	397	397	397
	<u>\$ 263,626</u>	<u>\$ 345,190</u>	<u>\$ 281,852</u>
Lease liabilities	<u>\$ 6,693</u>	<u>\$ 4,997</u>	<u>\$ 7,757</u>

B. Risk management policy

- (A) The daily operations of the Group are affected by a number of financial risks, including market risks (including exchange rate risk, interest rate risk, and price risk), credit risk, and liquidity risk. The overall risk management policy of the Group focuses on unpredictable events in the financial markets and seeks to reduce the potential adverse effects on the Group's financial position and financial performance.
- (B) Risk management is carried out by the Group's finance department in accordance with the policies approved by the board of directors. The Group's finance department is responsible for identifying, evaluating, and avoiding financial risks through close collaboration with the Group's operating units. The board of directors has formulated principles for overall risk management, and provided written policies for specific areas and matters, such as exchange rate risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and investment of remaining liquidity.

C. Nature and level of material financial risks

(A) Market risk

Exchange rate risk

- a. The Group operates internationally, so it is subject to the exchange rate risk arising from transactions in currencies different from the functional currencies (mainly USD and CNY) used by the Company and its subsidiaries. Exchange rate risk arises from assets and liabilities recognized.
- b. The Group's business involves a number of non-functional currencies. Therefore, it is affected by exchange rate fluctuations. Information on foreign currency assets and liabilities with significant exchange rate fluctuations is as follows:

June 30, 2026			
	Foreign currency (in thousands)	Exchange rate	Book amount (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,705	31.85	\$ 54,304
CNY : TWD	9,466	4.69	44,396
AUD : NTD	337	21.90	7,380
<u>Non-monetary items</u>			
USD : NTD	1,058	31.85	33,688
December 31, 2025			
	Foreign currency (in thousands)	Exchange rate	Book amount (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,505	31.43	\$ 47,302
CNY : TWD	12,251	4.50	55,130
AUD : NTD	56	21.01	1,177
<u>Non-monetary items</u>			
USD : NTD	1,058	31.43	33,244

June 30, 2025			
	Foreign currency (in thousands)	Exchange rate	Book amount (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,773	29.30	\$ 51,949
CNY : TWD	10,124	4.09	41,417
AUD : NTD	244	19.14	4,670
<u>Non-monetary items</u>			
USD : NTD	1,058	29.30	30,991

- c. The aggregate exchange gains (losses) recognized by the Group on monetary items due to foreign exchange rate fluctuations, including both realized and unrealized amounts, were (NT\$249), (NT\$4,155), NT\$429 and (NT\$3,843) for the three months and six months ended June 30, 2026 and 2025, respectively.
- d. An analysis of the Group's foreign currency market risk arising from significant exchange rate fluctuations is as follows:

January 1 to June 30, 2026			
Sensitivity analysis			
	Exchange rate band	Effect on pre-tax profit and loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 543	\$ -
CNY : TWD	1%	444	-
AUD : NTD	1%	74	-

January 1 to June 30, 2025			
Sensitivity analysis			
	Exchange rate band	Effect on pre-tax profit and loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 519	\$ -
CNY : TWD	1%	414	-
AUD : NTD	1%	47	-

Price risk

- a. The Group's equity instruments exposed to price risk are financial assets held at fair value through other comprehensive income. In order to manage the price risk of equity instrument investments, the Group has diversified its investment portfolio, and the method of diversification is based on the limits set by the Group.
- b. The Group mainly invests in equity instruments issued by domestic and foreign companies, and the prices of these equity instruments are affected by the uncertainty of the future values of said instruments. If the price of said equity instruments rose or fell by 1%, with all other factors remaining unchanged, other comprehensive income would have increased or decreased by NT\$337 and NT\$310 for the six months ended June 30, 2026 and 2025, respectively, because of the gains or losses on the equity instrument investments at fair value through other comprehensive income.

(B) Credit risk

- a. The credit risk of the Group is the risk of financial loss suffered by the Group arising from the failure of customers or counterparties of financial instruments to fulfill contractual obligations. It mainly comes from counterparties' inability to settle accounts receivable in accordance with the payment terms, and the contractual cash flows of debt instrument investments classified as measured at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss.
- b. The Group has established credit risk management from the Group's perspective. In accordance with the internal credit policy, each operating entity within the Group must conduct management and credit risk analysis for each new customer before deciding payment and delivery terms and conditions. The internal risk control system evaluates the credit quality of customers by considering their financial positions, past experience, and other factors. The credit facilities with respect to individual risks are determined by the Board of Directors pursuant to internal and external ratings. The use of the credit facilities is monitored on a regular basis.
- c. The Group, in accordance with the credit risk management procedures, deems contract payments that are overdue for more than 365 days according to the agreed payment terms, or which show signs that the debt cannot be repaid, to be in default.
- d. The Company adopts IFRS 9 to set the following assumptions as the basis for judging whether the credit risk of financial instruments has increased significantly since initial recognition:
When a contract payment is overdue for more than 30 days in accordance with the agreed payment terms, it is deemed that the credit risk of a financial asset has increased significantly since the initial recognition.
- e. The indicators used by the Group to determine whether investments in debt instruments are credit-impaired are as follows:
 - (a) The issuer has encountered major financial difficulties, or has an increased possibility of going into bankruptcy or other financial restructuring;
 - (b) The active market for the financial assets disappears due to financial difficulties of the issuer;
 - (c) The issuer delays or fails to pay interest or principal;
 - (d) Any adverse changes in national or regional economic situations that lead to a breach of contract on the side of the issuer.

- f. The Group categorizes customers' accounts receivable according to the characteristics of trade credit risk, and adopts a simplified approach to estimate expected credit losses based on the loss rate method.
- g. After recourse procedures, the Group provides a loss allowance and recognizes overdue receivables for the amount of the financial asset that cannot be reasonably expected to be recovered. However, the Group will continue to carry out legal recourse procedures to preserve the creditor's rights. The Group's claims for which a loss allowance has been provided with recourse activities still underway were NT\$0 on June 30, 2026, December 31, 2025, and June 30, 2025.
- h. The Group incorporates forward-looking adjustments derived from the Taiwan Institute of Economic Research business cycle monitoring report to the loss rates established using historical and current information over specified periods, in order to estimate the allowance for losses on notes receivable (including related parties), accounts receivable (including related parties), and long-term notes and accounts receivable (including related parties). The loss rate methodology applied as of June 30, 2026, December 31, 2025, and June 30, 2025 is as follows:

	Not past due	Within 30 days	31-90 days	Over 91 days	Individual assessment	Total
<u>June 30, 2026</u>						
Expected loss rate	0%~1%	0%~15%	0%~35%	0%~65%	0%~100%	
Total carrying amount	\$ 215,589	\$ 7,494	\$ 610	\$ 78	\$ -	\$ 223,771
Loss allowance	\$ 962	\$ 764	\$ 213	\$ 49	\$ -	\$ 1,988
	Not past due	Within 30 days	31-90 days	Over 91 days	Individual assessment	Total
<u>December 31, 2025</u>						
Expected loss rate	0%~1%	0%~10%	0%~25%	0%~65%	0%~100%	
Total carrying amount	\$ 297,509	\$ 12	\$ 3,571	\$ 1,269	\$ 5,251	\$ 307,612
Loss allowance	\$ 383	\$ 1	\$ 820	\$ 784	\$ 446	\$ 2,434
	Not past due	Within 30 days	31-90 days	Over 91 days	Individual assessment	Total
<u>June 30, 2025</u>						
Expected loss rate	0%~1%	0%~10%	0%~10%	0%~60%	0%~100%	
Total carrying amount	\$ 271,516	\$ 15,528	\$ 1,017	\$ 16	\$ 3,780	\$ 291,857
Loss allowance	\$ 488	\$ 1,406	\$ 85	\$ 9	\$ -	\$ 1,988

- i. Changes in the Group's simplified loss allowance for accounts receivable are as follows:

	2026	2025
	Accounts receivable	Accounts receivable
January 1	\$ 2,434	\$ 1,988
Impairment loss reversed	(446)	-
June 30	<u>\$ 1,988</u>	<u>\$ 1,988</u>

(C) Liquidity risk

- a. The cash flow forecast is executed by each operating entity in the Group and is compiled by the Group's finance department. The Group's finance department monitors the forecast of the Group's liquidity requirements to ensure that it has sufficient funds to meet operational needs, and maintains sufficient available credit limits at all times so that the Group does not violate the relevant borrowing limits or terms. The forecast considers the Group's debt financing plan, compliance with debt terms, compliance with the financial ratio targets of the internal balance sheet, and the requirements of external regulatory laws.
- b. As of June 30, 2026, December 31, 2025, and June 30, 2025, the Group's available credit limits were NT\$547,470, NT\$605,985, and NT\$600,985, respectively.
- c. The following table shows the Group's non-derivative financial liabilities and derivative financial liabilities that are settled on a net or total basis, grouped according to the relevant maturity dates. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract maturity date. Derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the expected maturity date. The contractual cash flows disclosed in the table below are the undiscounted amounts.

June 30, 2026	Less than one year	1–5 years	Over 5 years	Total
<u>Non-derivative financial liabilities:</u>				
Notes payable	\$ 1,251	\$ -	\$ -	\$ 1,251
Accounts payable (including to related parties)	198,578	-	-	198,578
Other payables (including to related parties)	63,400	-	-	63,400
Lease liabilities	3,217	3,476	-	6,693
Deposits received	397	-	-	397

December 31, 2025	Less than one year	1–5 years	Over 5 years	Total
<u>Non-derivative financial liabilities:</u>				
Notes payable	\$ 81	\$ -	\$ -	\$ 81
Accounts payable (including to related parties)	257,126	-	-	257,126
Other payables (including to related parties)	87,586	-	-	87,586
Lease liabilities	3,056	1,941	-	4,997
Deposits received	397	-	-	397

June 30, 2025	Less than one year	1–5 years	Over 5 years	Total
<u>Non-derivative financial liabilities:</u>				
Notes payable	\$ 531	\$ -	\$ -	\$ 531
Accounts payable (including to related parties)	228,211	-	-	228,211
Other payables (including to related parties)	52,713	-	-	52,713
Lease liabilities	4,590	3,167	-	7,757
Deposits received	397	-	-	397

(3) Fair value information

- A. The fair value levels of the financial instruments and non-financial instruments measured using a valuation technique are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities on the measurement date. An active market refers to a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the stocks invested in by the Group that are listed on an exchange or over-the-counter market belongs at this level.

Level 2: Inputs, other than quoted market prices within Level 1, which are observable, either directly or indirectly, for the assets or liabilities.

Level 3: Unobservable inputs for the assets or liabilities. The Group's equity instrument investments for which there are no active markets belong to this level.

- B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, notes payable, accounts payable, and other payables are reasonable approximations of their fair values.

- C. Financial and non-financial instruments measured at fair value are classified by the Group based on the nature, characteristics, risks, and the level of fair value of the assets and liabilities. The relevant information is as follows:

- (A) The Group's classification is based on the nature of the assets and liabilities. The relevant information is as follows:

June 30, 2026	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value</u>				
Financial assets (equity securities) at fair value through other comprehensive income	\$ -	\$ -	\$ 33,735	\$ 33,735
December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value</u>				
Financial assets (equity securities) at fair value through other comprehensive income	\$ -	\$ -	\$ 33,291	\$ 33,291
June 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value</u>				
Financial assets (equity securities) at fair value through other comprehensive income	\$ -	\$ -	\$ 31,038	\$ 31,038

- (B) The methods and assumptions used by the Group to measure fair value are as follows:
- The Group has used quoted market prices as fair value inputs (i.e., Level 1), listed below by the characteristics of the instruments:

	TWSE/TPEX listed stocks
Quoted market price	Closing price

- b. Except for the above-mentioned financial instruments with active markets, the fair value of other financial instruments is obtained through valuation techniques or with reference to the quoted prices of counterparties. For the fair value obtained through the valuation techniques, the Group refers to the current fair value of other financial instruments with similar conditions and characteristics, the discounted cash flow method, or other valuation techniques, including calculations using models based on the market information available on the consolidated balance sheet date (e.g., the yield curve published by the Taipei Exchange and the average quoted price of the Reuters commercial paper benchmark).
 - c. When evaluating non-standard and less complex financial instruments, such as debt instruments, interest rate swap contracts, foreign exchange swap contracts, and options, all without active markets, the Group adopts the valuation techniques widely used by market participants. The parameters used in the valuation models for such financial instruments are usually information observable in the market.
 - d. The output of the valuation models is an estimated value, and the valuation techniques may not reflect all the relevant factors of the financial instruments and non-financial instruments held by the Group. Therefore, the estimated value of the valuation models will be appropriately adjusted according to additional parameters, such as model risk or liquidity risk. According to the Group's fair value valuation model management policies and relevant control procedures, management believes that in order to properly express the fair value of financial instruments and non-financial instruments in the consolidated balance sheet, valuation adjustments are appropriate and necessary. The price information and parameters used in the evaluation process are carefully evaluated and appropriately adjusted according to current market conditions.
 - e. The Group incorporates credit risk valuation adjustments into the calculation of the fair value of financial instruments and non-financial instruments to reflect a counterparty's credit risk and the credit quality of the Group.
- D. There were no transfers between Level 1 and Level 2 in the six months ended June 30, 2026 and 2025.
- E. Movements in Level 3 in the six months ended June 30, 2026 and 2025 are listed in the following table:

	2026	2025
	<u>Equity instruments</u>	<u>Equity instruments</u>
January 1	\$ 33,291	\$ 34,724
Exchange rate effect	<u>444</u>	<u>(3,686)</u>
June 30	<u>\$ 33,735</u>	<u>\$ 31,038</u>

- F. In the Group's valuation process for fair value classified as Level 3, the investment department is responsible for independent fair value verification for financial instruments, uses data from independent sources to make the valuation results close to the market level, and confirms that the source of the data is independent, reliable, consistent with other resources, and representative of the executable price, while regularly calibrating the valuation model, conducting back-testing, updating the inputs and data required by the valuation model, and making any other necessary fair value adjustments to ensure that the valuation results are reasonable.
- G. The quantitative information on the significant unobservable inputs of the valuation model used in the Level 3 fair value measurement and the sensitivity analysis of the significant unobservable input change are explained as follows:

June 30, 2026					
	Fair value	Valuation technique	Significant unobservable inputs	Interval (weighted average)	Relation between input and fair value
Non-derivative equity instruments:					
Unlisted stock	\$ 33,735	Comparable public company approach	Market multiples	12.60%	The higher the multiple, the higher the fair value.
			Liquidity discount	35.00%	The higher the discount, the lower the fair value.

December 31, 2025					
	Fair value	Valuation technique	Significant unobservable inputs	Interval (weighted average)	Relation between input and fair value
Non-derivative equity instruments:					
Unlisted stock	\$ 33,291	Comparable public company approach	Market multiples	12.60%	The higher the multiple, the higher the fair value.
			Liquidity discount	35.00%	The higher the discount, the lower the fair value.

June 30, 2025					
	Fair value	Valuation technique	Significant unobservable inputs	Interval (weighted average)	Relation between input and fair value
Non-derivative equity instruments:					
Unlisted stock	\$ 31,038	Comparable public company approach	Market multiples	20.78%	The higher the multiple, the higher the fair value.
			Liquidity discount	35.00%	The higher the discount, the lower the fair value.

- H. The Group has selected the valuation model and valuation parameters after careful evaluation, but different valuation results may occur due to the use of different valuation models or valuation parameters. For financial assets and financial liabilities classified as Level 3, if the valuation parameters change, the effect on the current profit and loss or other comprehensive income is as follows:

		June 30, 2026					
				Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Adverse change	Favorable change	Adverse change	
Financial assets							
Equity instruments	Discounts and market multiples for lack of market liquidity	±1%	\$ -	\$ -	\$ 337	(\$ 337)	

		December 31, 2025					
				Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Adverse change	Favorable change	Adverse change	
Financial assets							
Equity instruments	Discounts and market multiples for lack of market liquidity	±1%	\$ -	\$ -	\$ 332	(\$ 332)	

		June 30, 2025					
				Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Adverse change	Favorable change	Adverse change	
Financial assets							
Equity instruments	Discounts and market multiples for lack of market liquidity	±1%	\$ -	\$ -	\$ 310	(\$ 310)	

13. Additional Disclosures

(1) Information on material transactions

- A. Funds lent to others: N/A.
- B. Endorsements/guarantees provided to others: N/A.
- C. Significant securities held at the end of the period (excluding investments in subsidiaries, associates, and joint venture interests): Please refer to Table 1.
- D. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Please refer to Table 2.
- E. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: N/A.
- F. Business relationships and material transactions between the parent company and its subsidiaries: Please refer to Table 3.

(2) Information related to reinvested enterprises

Information on names and locations of investees (excluding investees in China): Please refer to Table 4.

(3) Information on Investment in China

- A. Basic information: Please refer to Table 5.
- B. Significant transactions with investees in China, either directly or indirectly, through a business in a third region: Please refer to Table 4. Otherwise, N/A.

14. Segment Information

(1) General information

The management of the Group has identified the segments to be reported based on the information provided to the Board of Directors for use in making decisions. The Group's board of directors adopts the overall financial information and financial ratios of the Group as indicators for performance evaluation. Therefore, the Group has been identified as a single segment to be reported.

(2) Measurement of segment information

The accounting policies for the business segment of the Group are the same as the summary of significant accounting policies described in Note 4. The chief operating decision-maker of the Group evaluates the performance of a business segment based on that business segment's revenue achievement rate and net operating income achievement rate.

(3) Information on profit or loss, assets and liabilities of the segment and reconciliation information

As the Group's information on profit or loss, assets, and liabilities of the segment is consistent with that in the main financial report, and it is a single segment to be reported, no reconciliation is required.

Information Technology Total Services Co., Ltd.
Significant securities held at the end of the period (excluding investments in subsidiaries, associates, and joint venture interests)
June 30, 2026

Table 1

Unit: NTD thousand
(Unless otherwise specified)

Holder	Type and Name of Marketable Securities (Note 1)	Relationship with Issuer of Marketable Securities (Note 2)	Financial Statement Account	End of Period				Remarks
				Number of Shares	Carrying Amount (Note 3)	Shareholding percentage	Fair value	
Information Technology Total Services Co., Ltd.	Dynacomware Corporation	N/A	Financial asset at FVTOCI – non-current	31	\$ 47	1.43%	\$ 47	Note 4
Information Technology Total Service (BVI) Co., Ltd	Live ABC Interactive Corporation	N/A	Financial asset at FVTOCI – non-current	3,238	33,688	14.58%	33,688	Note 4

Note 1: The securities mentioned in this table refer to stocks, bonds, beneficiary certificates, and securities derived from the items above that fall within the scope of IFRS 9 “Financial Instruments.”

Note 2: If the securities issuer is not a related party, this column may be skipped.

Note 3: For items measured at fair value, please fill in the carrying amount after fair value valuation adjustments and the deduction of accumulated impairment losses in the carrying amount box; for items not measured at fair value, please fill in the original acquisition cost or amortized cost less accumulated impairment losses in the carrying amount box.

Note 4: None of the above-mentioned securities are pledged.

Information Technology Total Services Co., Ltd.
Total Purchases from or Sales to Related Parties Amounting to at least NT\$100 Million or 20% of the Paid-in Capital
January 1 to June 30, 2026

Table 2

Unit: NTD thousand
(Unless otherwise specified)

							Trading conditions distinct from those of general transactions and reasons thereof		Notes/Accounts Receivable (Payable)		
Company	Name of Counterparty	Relationship	Transaction Status				Unit Price	Credit period	Balance	As a Percentage of Total Notes/Accounts Receivable (Payable)	Remarks
			Purchase (Sale)	Amount	As a Percentage of Total Purchases (Sales)	Credit period					
Information Technology Total Services Co., Ltd.	TECO Electric and Machinery Co., Ltd.	Parent company	Sale	\$ (150,933)	21.20%	Open account with net 60–90 days	Normal	Note	\$ 34,211	16.44%	

Note: The transaction conditions and prices are handled in accordance with the conditions agreed by both parties, and the payment terms are the same as those for general customers.

Information Technology Total Services Co., Ltd.
Business relationships and material transactions between the parent company and its subsidiaries
January 1 to June 30, 2026

Table 3

Unit: NTD thousand
(Unless otherwise specified)

No. (Note 1)	Name of Transaction Party	Counterparty	Relationship with the counterparty (Note 2)	Transaction Status			Percentage of total consolidated revenue or assets (Note 3)
				Account title	Amount	Transaction Conditions	
0	Information Technology Total Services Co., Ltd.	Information Technology (WUXI) Co., Ltd.	(1)	Service revenue	\$ 4,020	Note 4	0.56%
1	Unison Service Corporation	Information Technology Total Services Co., Ltd.	(2)	Service revenue	47,366	Note 4	6.65%
2	Universal Mail Service Ltd.	Information Technology Total Services Co., Ltd.	(2)	Service revenue	47,829	Note 4	6.72%
2	Universal Mail Service Ltd.	Information Technology Total Services Co., Ltd.	(2)	Sales revenue	17,389	Note 4	2.44%

Note 1: The information about transactions between the parent and the subsidiaries shall be noted in the following manner:

- (1) The parent company is coded "0."
- (2) The subsidiaries are coded sequentially beginning from "1" and categorized by company

Note 2: The relationship with the counterparty may be categorized into the following three types. The schedule only discloses information about unilateral transactions. (It is not necessary to disclose the same transaction between the parent company and a subsidiary or between subsidiaries repeatedly. For example, if the parent company has disclosed a transaction with a subsidiary, the subsidiary does not need to disclose said transaction again; if a subsidiary has disclosed a transaction with one of the parent company's other subsidiaries, the other subsidiary need not disclose said transaction again):

- (1) Parent to subsidiary.
- (2) Subsidiary to parent.
- (3) Between subsidiaries.

Note 3: The percentage of the amount of the transaction to the consolidated total operating revenue or total assets shall be computed as the ending balance to the consolidated total assets, in the case of assets and liabilities, or as the interim accumulated amount to the consolidated total operating revenue, in the case of profit or loss.

Note 4: There is no comparable transaction of the same type, the price is handled according to the method agreed upon by both parties, and the payment is to be settled within 90 days of the monthly statement date. Service revenue refers to the labor support, packaging and printing, telecommunications costs, and freight costs required for operations. Sales revenue refers to the sales of printed matter required for operations. There are no comparable transactions of the same type. The transaction price and payment terms are determined by negotiation between both parties.

Information Technology Total Services Co., Ltd.
Information on Names and Locations of Investees (Excluding Investees in China)
January 1 to June 30, 2026

Table 4

Unit: NTD thousand
(Unless otherwise specified)

Name of Investor	Name of Investee (Notes 1 and 2)	Address	Principal Business	Original Investment Cost		Holdings at the End of the Period			Current income of the investee	Investment Gains or Losses Recognized for the Current Period	Remarks
				End of the Current Period	End of Last Year	Number of Shares	Percentage	Carrying Amount			
Information Technology Total Services Co., Ltd.	Tension Envelope Taiwan Corporation	Taiwan	Envelope production and paper trading business	\$ 25,000	\$ 25,000	2,500	50.00%	\$ 46,266	\$ 5,646	\$ 2,823	Note 1
Information Technology Total Services Co., Ltd.	Universal Mail Service Ltd.	Taiwan	Postal information integration and bill printing outsourcing services	13,000	13,000	1,560	100.00%	28,747	4,546	4,546	Note 1
Information Technology Total Services Co., Ltd.	Unison Service Corporation	Taiwan	Customer relationship management services and consulting services for the customer service center establishment	17,000	17,000	1,700	100.00%	27,614	4,235	4,235	Note 1
Information Technology Total Services Co., Ltd.	Information Technology Total Service (BVI) Co., Ltd.	British Virgin Islands	Investment holding company	48,424	48,424	1,541	100.00%	90,120	4,784	4,784	Notes 1, 2, and 3
Information Technology Total Services Co., Ltd.	An-Hui Information Technology Co., Ltd.	Taiwan	Manufacture of computers and peripherals, retail, and other consulting services	3,000	3,000	300	15.00%	3,139	(27)	(4)	Note 1

Note 1: Investee recognized under the equity method.

Note 2: The original currency of the original investment amount of Information Technology Total Service (BVI) Co., Ltd. was US\$1,541 thousand.

Note 3: As of the current period, Information Technology Total Service (BVI) Co., Ltd. has repatriated investment income of US\$1,500 thousand.

Information Technology Total Services Co., Ltd.
Information on Investments in China – Basic Information
January 1 to June 30, 2026

Table 5

Unit: NTD thousand
(Unless otherwise specified)

Name of Investee in China	Principal Business	Paid-in Capital	Investment Method (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of the period	Amount of investment remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the period	Current income of the investee	Shareholding ratio of the Company's direct or indirect investment	Investment Gains (Losses) Recognized for the Current Period (Note 2)	Carrying Amount of Investment, End of the Period	Accumulated Repatriation of Investment Income as of the End of the Period	Remarks
					Outward Remitted	Repatriated							
Information Technology (WUXI) Co., Ltd.	ERP establishment, system maintenance, and information equipment procurement	\$ 10,167	(2)	\$10,167 (USD \$300)	\$ -	\$ -	\$10,167 (USD \$300)	1,384	100.00%	\$ 1,384	\$ 32,386	\$ 18,384	

Note 1: Investment methods are divided into the following three types. Please mark the type only:

- (1) Direct investment in Mainland China
- (2) Indirect investment in Mainland China through a business in a third region (Information Technology Total Service (BVI) Co., Ltd.)

Note 2: The profit or loss is recognized in the financial statements audited by the external auditors appointed by the parent company in Taiwan.

Note 3: The relevant figures in this table shall be presented in New Taiwan dollars.

Company name	Accumulated amount of investment in China remitted from Taiwan at the end of the period	Amount of investment approved by the Investment Commission, MOEA	Investment limit in China set by the Investment Commission, MOEA
Information Technology Total Services Co., Ltd.	\$10,167 (USD \$300)	\$10,167 (USD \$300)	\$ 361,725

Note 4: All figures in this schedule are presented in New Taiwan Dollars. Asset and liability accounts are translated at the following rates: RMB 1 = NTD 4.6900; USD 1 = NTD 31.8500. Income and expense accounts are translated at the following rates: RMB 1 = NTD 4.6130; USD 1 = NTD 31.5917.

Note 5: According to the amendment to regulations made by the Investment Commission per the Order Jing-Sheng-Ji-Zi No. 09704604680 dated August 29, 2008, the limit on the cumulative amount of investment in Mainland China is the net value or 60% of the combined net value, whichever is higher.